

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

Competitive Products Price Changes
Rates of General Applicability

Docket No. CP2014-5

CHAIRMAN'S INFORMATION REQUEST NO. 3

(Issued November 27, 2013)

To clarify the Postal Service's planned competitive product price adjustments as described in the Notice of the United States Postal Service of Changes in Rates of General Applicability for Competitive Products Established in Governors' Decision No. 13-2, filed November 13, 2013, the Postal Service is requested to provide written responses to the following questions. Answers should be provided no later than December 3, 2013.

1. Governors' Decision 13-02, at page 4, indicates that in 2014 Premium Forwarding Service will feature a "new online enrollment option . . . available for \$16.00." The Special Services workpapers provide prices for an "online" application fee for both FY 2013 and FY 2014, suggesting that the online enrollment option is currently being offered. Please explain the discrepancy.
2. The Postal Service is introducing Premium Forwarding Service Commercial that will permit commercial customers to have mail forwarded to a new address via Priority Mail or Priority Mail Express. The proposed changes to the Mail Classification Schedule include an enrollment fee. But unlike Premium Forwarding Service Residential, Premium Forwarding Service Commercial does not include proposed shipping fees.

- a. For Premium Forwarding Service Commercial, please explain how the Postal Service intends to report volumes, costs, and revenues for: (1) enrollment and (2) shipping.
 - b. For Premium Forwarding Service Commercial, please explain how the Postal Service plans to disaggregate enrollment and shipment costs.
3. Please refer to 78 Fed Reg. 69553, 69555 (November 20, 2013), which states:

“[o]nce final systems implementation is completed. . . . Premium Forwarding Service Commercial. . . will replace” commercial Priority Mail Express Reshipment and Priority Mail Reshipment service.

 - a. Please indicate where in the Mail Classification Schedule prices and descriptions of Priority Mail and Priority Mail Express Reshipment Services are provided.
 - b. Please provide a description of the Priority Mail and Priority Mail Express Reshipment Services that the Postal Service presently provides.
 - c. Please provide the rates for Priority Mail and Priority Mail Express Reshipment Services.
 - d. Please describe any additional changes to the Mail Classification Schedule the Postal Service intends to propose prior to implementing Premium Forwarding Service Commercial and discontinuing Priority Mail and Priority Mail Express Reshipment Services.
 - e. Please explain what “final systems implementation” entails.
4. Please refer to Excel file “NonPublic Annex Jan.xls,” which includes a table with forecasted FY 2014 financial data for Competitive Products. See Folder Supp. Info-Finance_CP2014-5, sub-folder Non Public Contribution. It appears that financial data for Competitive Ancillary Services (Adult Signature and Package Intercept Service) are not provided in this table.

- a. Please provide the forecasted FY 2014 revenues, volumes, attributable costs, contribution, and cost coverage for the Competitive Ancillary Services product. In your response, please include all source workpapers.
 - b. Please explain how the forecasted FY 2014 cost coverage for the Competitive Ancillary Services product complies with 39 U.S.C. § 3633(a)(2).
5. Refer to Governors' Decision No. 13-02, at page 6, where it states that "the Customer Clearance and Delivery Fee will increase 9.1 percent." Please identify in the non-public annex where the calculated price change for the Customs Clearance and Delivery Fee can be found. If the calculated price change is not found in the non-public annex, please provide it.
6. Please refer to Governors' Decision No. 13-02, and the Attachment, thereto, at Part B: Competitive Products, containing the draft text of the Mail Classification Schedule.
 - a. Please refer to Section 2315.2, Size and Weight Limitations, which consists of a table showing the size and weight limitations applicable to Outbound Priority Mail International. A superscript 2 follows the section heading. However, note 2 to the table is deleted. Please clarify.
 - b. Please refer to Section 2315.7, Prices, which consists of a table with the heading, Priority Mail International Flat Rate Retail Prices. It appears that following the table heading, a new superscript 1 is being added. However, note 1 to the table is deleted. Please clarify.

By the Chairman.

Ruth Y. Goldway